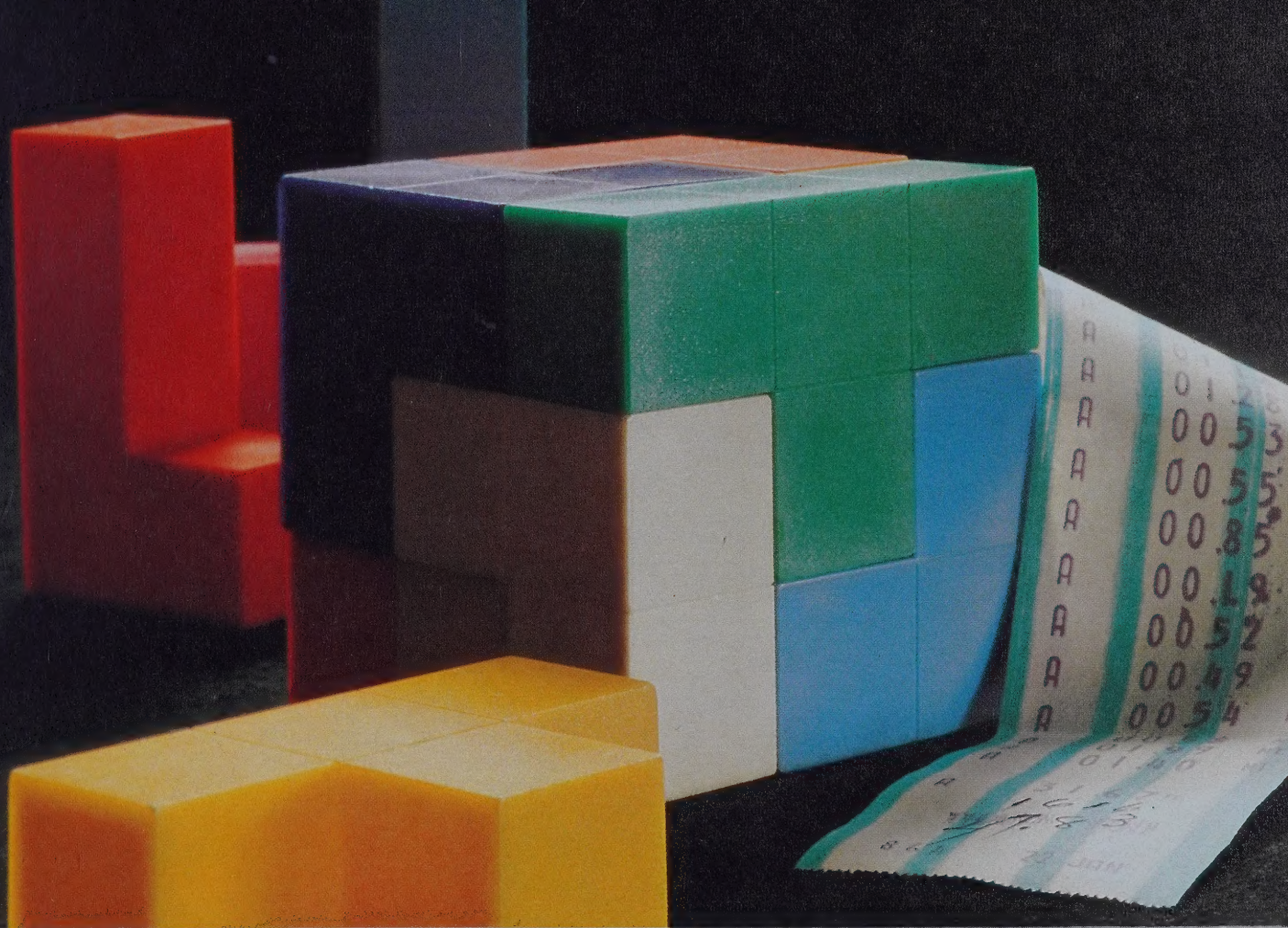




AR18

Nalaco
Annual Report
for the
Life Year 1971



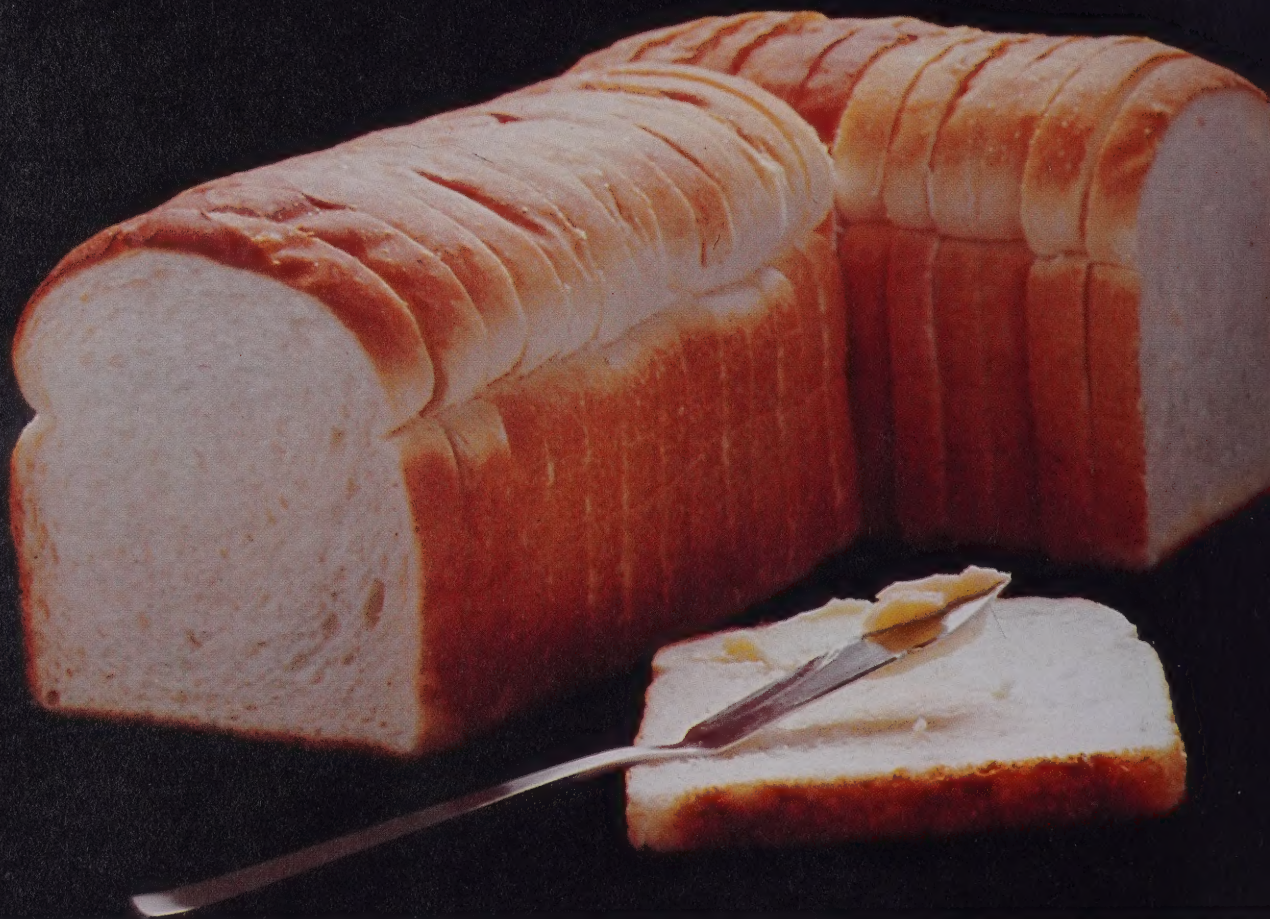


Your future is our product

... just like all the other products that are part of everybody's life, every day. This report dramatizes that North American Life products are no less important than day-to-day essential items. Both financial and food products should be bought with the same care and consideration.

Interblock. Seven pieces of an adult puzzle that represents the seven financial parts of planned economic security. Government Benefits, Personal Assets, Life Insurance, Group Coverage, Investment Securities, Equities, and Business Interests.

Let your Nalaco man help put these pieces together and see how they add up.



Government benefits

Today, the Government contributes in some measure to the continuation of our lifestyles.

But bread alone does not constitute the total nutritional requirements for living. Nor do Government Benefits, alone, form the basis for an adequate lifestyle.

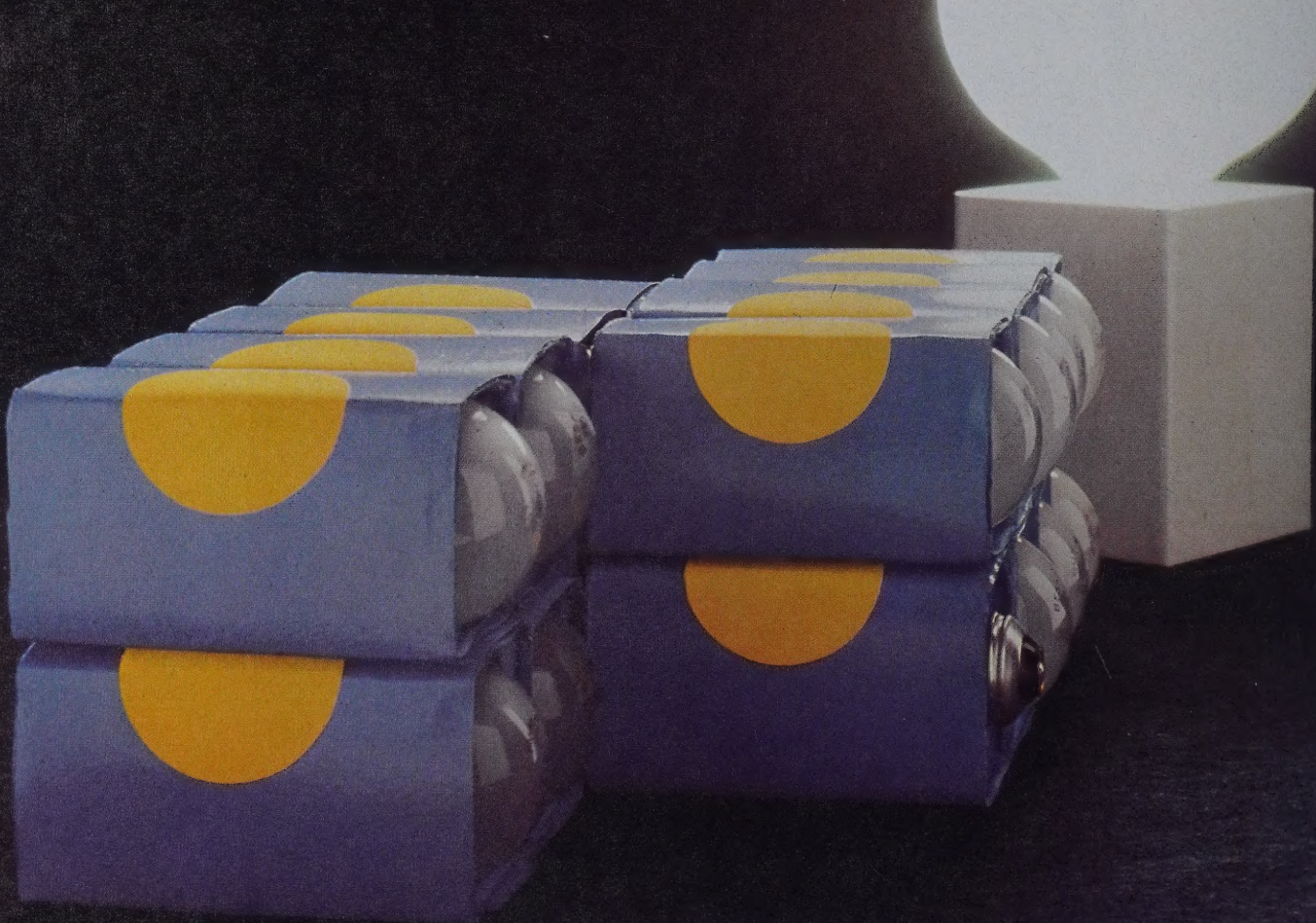
North American Life products can give your personal financial plan a balance of both protection and investment growth because, at Nalaco, our total commitment is for life.



Personal assets

Everyday products we buy and use are kept safe and undamaged by careful packaging. Assets, like home, car, furnishings, cottage, boat, etc., form an integral part of your total financial structure. The extent and value of these strongly affect the amount and type of life insurance you need.

Experienced Nalaco specialists can expertly package, protect and integrate this vital element into a total plan for a happy secure future. Modern North American Life products are designed to handle your assets with care and keep your personal financial security right side up for life.



Life insurance

Today, both light bulbs and Life Insurance products are taken for granted. And yet, without either, our future would be in the dark.

Your Nalaco man is the light to show you where you are going, financially. Skill and knowledge combined with contemporary products such as Enhanced Protection, Indexed Protection and modern low-cost Term Plans, Pensions and Annuities, assure your financial future.

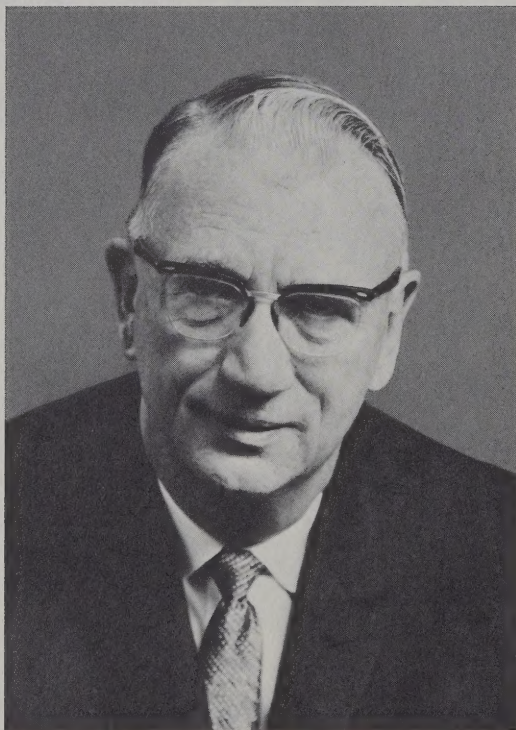
North American Life products can guarantee a financial service, regardless of the condition of the economy, with capital for university educations; for disability income; borrowing power anytime; payment of estate duties; funds to maintain a family's living

standards; and, most important, products to supply a sound retirement income. Don't work in the dark.

91st Annual Report for the year ended December 31, 1971



North American Life Assurance Company
Head Office: 105 Adelaide Street West,
Toronto 1, Canada



George Ryrie, M.B.E.
President

The President's Address to the Annual Meeting

During recent years the Annual Meeting addresses have given us an opportunity to refer to problems of concern to us as a Company or as a part of the life insurance industry or as a part of that nebulous complex called business.

Each year some problems are solved, others become more clearly identified and some remain to plague or frustrate us.

Nalaco's report covering the past year should suggest that some problems were well in hand or solved. The fact that we were able to pay the Canadian Federal income tax hardly qualifies as a problem solved but the level at which it is emerging surely indicates that we are adjusting our affairs to a corporation tax atmosphere — no small feat in a short period of three years.

The problem of cost of doing business is ever with us and must always be a matter for intensive study by management. In these times it is obvious that the apparently endless rises in costs call for strong controls. The favourable financial results reported to you are some reflection of our progress in this area. It has called for co-operation and initiative from all personnel involved with us. It is with sincerity and pleasure that I join my colleagues in their compliments to our

people throughout the organization.

In summary, I may say that we have moved forward significantly to deal with problems which are clearly identifiable and which lie within our power to solve.

There is however one broad topic often referred to as "social responsibility" which continues to pose many problems, problems of identification, problems of its applicability to us as a company, as a part of the life insurance industry or as a part of business and, above all, problems of power to solve.

First, I should like to make a case for setting aside the term "social responsibility" and introduce a more meaningful term — "corporate responsibility".

"Social responsibility" has many meanings for many people — in all too many cases it may be related to a narrow range of visible actions associated with particular projects with little or no consideration of attitude towards the more general problems of society.

Quite recently, on opening a major conference on Corporate Social Responsibility, Donald S. MacNaughton, Chairman of the Prudential Insurance Company of America, traced the evolution of the business corporation in the North American society from its earlier days of entre-

preneurship and the concept of private property to the present day business corporation and he said this —

"The corporation may be a private enterprise institution but it is not really a private property institution. In essence, it can best be described as a business organization whose managers act as trustees for all who have an interest in the enterprise — the stockholders, employees, suppliers, consumers and the public. And, if this is right, then the private enterprise institution is truly a social force with all the duties and responsibilities of a social organization. The managers are not owners, nor do they have the right to behave as though the prerogatives of ownership and property rights have been delegated to them by the stockholders."

If this view is valid, as I think it is, it merely strengthens the case to point out that it applies most forcefully to a mutual life insurance company where terms change somewhat and our trusteeship may be more simply stated as applying to policyholders, employees and the public.

With this general background, it would be appropriate to indulge in a lengthy recital of what we have done or are doing

to demonstrate acceptance of our responsibility to policyholders, employees and the public. I propose, however, to say only enough to suggest that there is a positive attitude about these corporate responsibilities which does result in some responsive action.

In regard to policyholders, our attitude was set forth in the Annual Meeting address three years ago —

“Our purpose as a life insurance company is to make available through our service and products, financial security against the hazards of death, disability and retirement.

“This purpose is to be achieved by marketing our products and service in a customer-satisfying way at the lowest possible cost commensurate with the financial soundness of the corporation.

“We should strive to become a better company in terms of service, cost and equity to policyholders.”

These attitudes have never been put on a billboard because that doesn't necessarily make them work. But, if you could be exposed to all the literature, discussions and exhortations which reflect the management process in this Company, you would recognize that these are our

guiding principles — whatever we do must be tested against them. Another important test of course is the market place — the report of our Marketing Division would suggest these attitudes and principles are reflected in action.

It would be foolish to claim infallibility — our systems develop leaks — (we have a computer) — correspondence is mislaid or misdirected — the president gets letters — he may not be an ombudsman but some people think he can get results. Quite a number of these letters have valid complaints about service which embarrass us but do give us an opportunity to review and improve our systems. I hope there are fewer and fewer excuses for these letters but, so long as they develop, they have a plus value to the Company.

In regard to employees, again may I quote from our purpose as a life insurance company —

“to be achieved at the lowest possible cost commensurate with the financial soundness of the corporation and fair compensation, opportunity and challenge to all individuals engaged in its activities.”

“We should recognize and strive to fulfil

our responsibilities to society and for good citizenship.”

“We should provide through example a sound ethical approach to business principles.”

Some forty-eight years ago my personal recollection is that the younger people on staff were concerned only with compensation. Today, these other facts of corporate life are very important to both young and not so young employees and Company attitude and action must be evident. Compensation is still important but opportunity and challenge must be present, some tangibles such as working conditions, staff welfare benefits and advisory health service do help us in trying to make Nalaco a good place to work — but would not suffice to overcome a negative attitude towards ethics, good citizenship and corporate responsibilities to society.

That there are corporate responsibilities to the public is perhaps not so obvious but none the less, they are a fact of modern corporate life. Most studies of corporate evolution will include a statement which says in effect —

“The corporation exists and functions as a franchised privilege granted to it by

society, subject to whatever requirements the society decides to impose and continuing only as long as it meets the standards society sets for it.”

I suggest that our attitudes and actions in regard to policyholders and employees have many implications to the public. There are some other corporate actions which require careful interpretation; for instance, our grants to educational institutions surely reflect an endorsement of the public objective of better educated citizens. Our grants to hospitals and research institutions surely reflect an endorsement of the public objective of better health. Our grants to Pollution Probe and highway safety surely reflect an interest in and endorsement of what we and many others think is good for the public.

In the process of developing these corporate attitudes and effecting these actions we have never claimed to be unique in the life insurance business or in business generally. The Conference on Social Responsibility to which I referred earlier was attended by the chief executive officers of one hundred of the largest life insurance companies on this continent. Anyone interested in corporate social responsibility would soon run out

of filing space were he to accumulate a file of the statements of leaders in all lines of business in both Canada and the United States.

But still the critics of business declaim or imply that business is not recognizing its social responsibilities.

I don't think anyone in business claims that the responsibility has ever been or even now is adequately discharged. What is disturbing is the implication that any deficiency whatsoever demonstrates total lack of concern. Many corporations can relate attitudes and actions similar to Nalaco which does lead to the conviction that business is discharging its social responsibility in much better fashion than is implied or understood. I reject entirely the implication that there is lack of concern.

One possible answer is to communicate — tell the story effectively and repeatedly. But there is now a growing awareness that communications is a subject much broader than simply a transfer of opinion or information but rather it must be an exchange leading to some kind of understanding.

If business is to communicate in these terms, it must be said that, despite its

best efforts, there seems to be some deficiency in understanding. I don't think lack of ability to understand is the major problem in business communication — I do feel that interest or willingness to understand is the problem.

Here, may I refer back to an earlier suggestion that we set aside the term "social responsibility". It seems to me that as part of a society, we all have social responsibilities; some are corporate, some are individual and some are governmental. The implication in so many comments that business is the only villain in the field of social responsibility is merely the result of hiding behind blinkers.

The great failure today is not that business is subject to criticism for its lack of social responsibility but rather that many parts of our society still seem to think that social responsibility is solely a preserve of business. Not only does this circumstance block understanding of communications of business—it impedes progress in dealing with problems being attacked by business, it results in poor priorities when action is taken and can lead to wasteful utilization of resources.

Understanding is defined as anything mutually understood or agreed upon.

Surely this requires an exchange of knowledge and objectives.

Yet, time after time, views are expressed or charges made without adequate understanding of the subject or any attempt to qualify for ascertainable facts.

Consider:

The former leader of a political party who said, "it is significant that about half the investments of Canadian insurance companies go to the United States." Did he try to find out or to understand that those United States investments arose from United States' premiums and the same kind of law in both Canada and the United States requires assets to be lodged in the country where the liabilities rest?

A member of parliament noted how little faith the insurance companies demonstrated in the future of Canada as evidenced by the small amount of money they put into equities. Did he enquire into the reserve valuation laws which influence this kind of decision, or does he realize that real estate and revenue property is also an equity investment, or does he care that putting money into equities is a diversion of money from mortgages, or would he agree that investment in

mortgages is evidence of faith in Canada? Almost one quarter of the mortgage money in Canada is supplied by the life insurance companies.

Another popular topic is United States' ownership of Canadian business. No thoughtful Canadian should deny that now or later there may be problems in this situation but much of the heat currently rises from groups who have no significant business experience.

Has there been enough inquiry into specific problems of United States' ownership or has there been any attempt to visualize Canada today without foreign capital? The recently published report from Statistics Canada provides some answers — will the devotees of "buy Canada back" pay any attention to it?

Does investment of foreign funds necessarily mean control and to what extent is such investment inimical to Canadian interest?

I cannot help but ask myself if our standard of living with its crowded shopping centres and the never ending traffic jams to our vacation spots is a bad result of United States' investment.

Possibly some attention might be paid to the unemployed man who wouldn't care

very much whose money financed the company which offered him a job.

We are supposed to have participative democracy in Canada — White Papers, draft bills, committee hearings and so on. One cannot escape the feeling that we have here some elements of the one way street of those who listen but never respond. Perhaps one Cabinet member torpedoed the whole concept when he said about one particular bill —

“The objective of some people seems to be to create a strident opposition designed to bring pressure for withdrawal of the bill. This is unrealistic and self-defeating. The government is firmly committed to implementation of a new policy.”

He might well have said — “Don’t confuse me with the facts, my mind is made up.”

Currently, we have tax reform which came into law despite some great concerns about its implications. There was apparently extensive time for participation in discussion of the general principles to be adopted but all too little time for detailed review of the actual legislation. Now, even the government admits that it is imperfect and that it will have to

be improved through trial and error.

In all the furor about the bills before the last parliament, one must conclude that, not only was there failure to reach an understanding between business and government, but little or no evidence that any attempt was made. I submit that, in these matters, corporate responsibility has been ignored by a governmental process which has not accepted the fact that there is such a thing as government responsibility.

Financial columnist, Fraser Robertson, in writing for Canada Trust, described the current situation rather succinctly as — “an arbitrary process by which an intellectual elite decides what information they are entitled to have and what conclusions should be derived from it.”

Fortunately, quite recently there have been signs and portents of a change. Last Fall there was a much publicized meeting of a group of business leaders with the Prime Minister and his Cabinet. Quite properly, questions are being asked —

“Was there a clear signal of understanding?”

“Was there any signal at all?”

At least, there was a meeting and this

Rome will not be built in a day.

Cabinet Ministers and other spokesmen have taken the opportunity to deny that there is an anti-business attitude in government.

Senator Martin has assured us the present federal government is led by a man whose pragmatism enables him to view the responsibility of government in its widest application. Not very often do we hear that phrase "responsibility of government."

Mr. Pépin said last Fall —

"In the minds of people, the idea must be underlined, developed and stressed that the country needs strong industries to live."

Just last month Mr. Turner said as he took over his new portfolio —

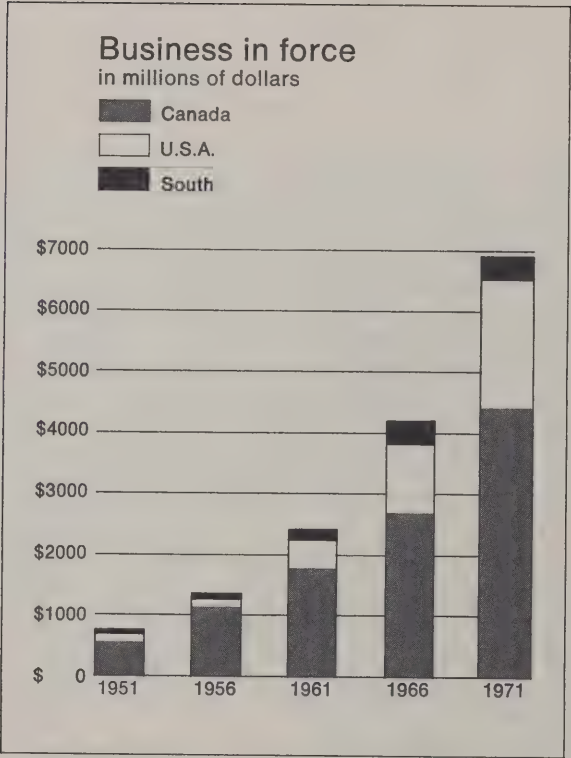
"I think Canadians want to be assured that the man who is up here as Minister of Finance gets out there and consults with labour, the consumers, the business community and the universities and — in conjunction with the first rate experts in this department — asks 'Okay, now, how do we solve this problem? How do we really get to understand what the score is?' "

These are strange words from such a source but so long overdue.

If Mr. Turner's attitude becomes the attitude of government, it will be a great step forward for this country — it will mean that at long last there is recognition that social responsibility must be attached to all segments of our society. Perhaps we can even look forward to conferences on Responsibility of Unions, Responsibility of Academics, or Responsibility of Consumers.

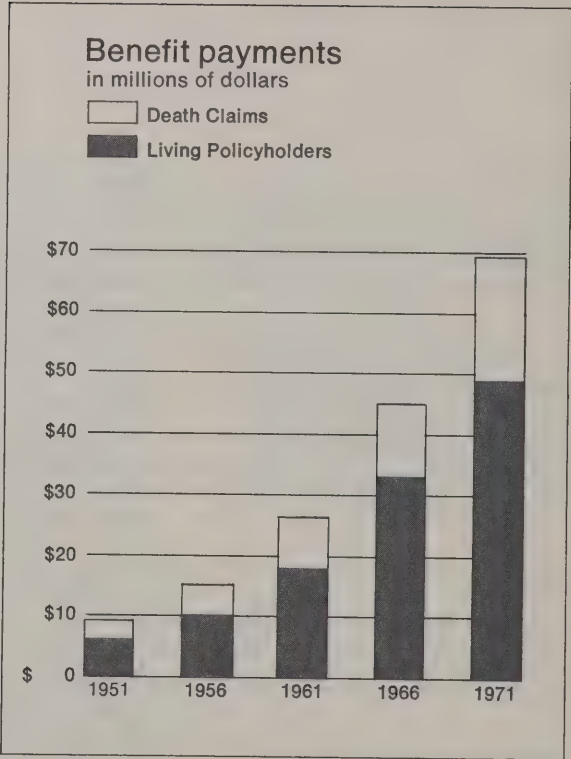
We may actually come into a period of our national life when the various segments of our society talk *with* each other rather than *at* each other, talk with the idea of learning each other's problems and objectives, talk with the purpose of reaching a better understanding. This is no less than a reasonable right or expectation on the part of any segment of our society — it is an absolute essential if we are to move from the all too obvious atmosphere of crisis, confusion and distrust. Our people deserve better — government *and* business can lead the way.

Operations at a glance . . .

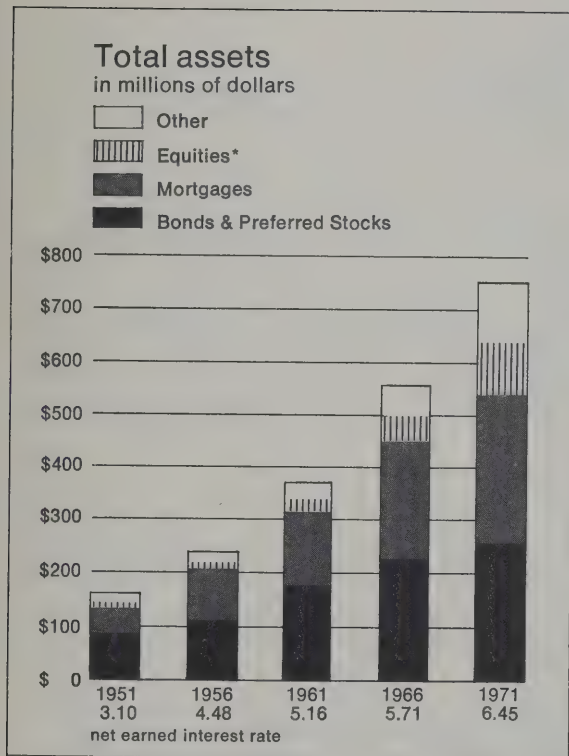


Individual business in force amounted to \$3.5 billion and Group business to \$3.4 billion. Of the total amount, 62.4% is in Canada, 30.5% in the United States, and 7.1% in the Southern area.

Total revenue amounted to \$139.7 million including premium income of \$95.3 million and net investment income of \$44.4 million.



Of the \$69.5 million of benefits paid to policyholders and their beneficiaries, 70% was paid to living policyholders in the form of annuities, dividends, maturities, and surrender payments.

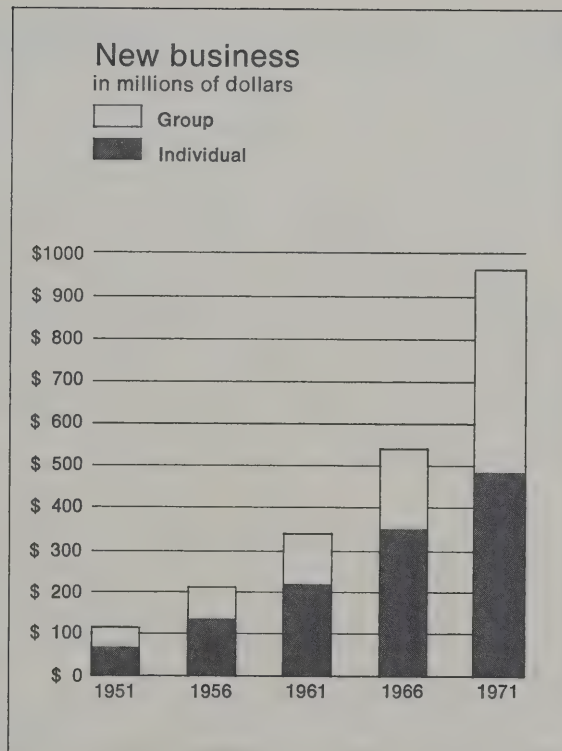


*convertible securities, common stocks and real estate

Total assets increased \$46 million to a total of \$748 million at year end. Approximately \$16.0 million of this increase was invested in bonds and mortgages and \$11.5 million in equities.

Investments in common stocks at the end of 1971 total \$45.7 million. In addition, segregated investment funds include a common stock investment of \$24.4 million.

Net earned interest rate increased to 6.45% from 6.23% in 1970.



Over \$957 million of new business was written during the year. Of this amount, \$486 million was individual sales and \$471 million group sales.

Total new business was divided between \$898 million in assurances and \$59 million in annuities.

Board of Directors

John H. Taylor Chairman of the Board President, Canadian Fuel Marketers Ltd.	Toronto, Ontario	N. S. Robertson, q.c. Robertson, Lane, Perrett, Frankish & Estey	Toronto, Ontario
George Ryrie, M.B.E. President	Toronto, Ontario	Courtland Elliott, C.B.E.	Toronto, Ontario
L. S. Mackersy, M.C. Vice-President	Toronto, Ontario	G. P. Osler Chairman, UNAS Investments Limited	Toronto, Ontario
J. M. Breen Vice-President Director, Canada Cement Company, Limited	Montreal, Quebec	Hon. R. L. Kellock, C.C., Q.C. Waterous, Holden, Kellock & Kent	Brantford, Ontario
		J. J. Pigott Executive Vice-President, Pigott Construction Company Limited	Toronto, Ontario
		J. L. Gibbons Advisor to Fiduciary Division, Chemical Bank	New York, U.S.A.
		K. V. Cox President, The New Brunswick Telephone Company, Limited	Saint John, New Brunswick
		George Heffelfinger President, National Agri-Services Ltd.	Winnipeg, Manitoba
		P. L. P. Macdonnell, q.c. Milner & Steer	Edmonton, Alberta
		A. S. Burton	Toronto, Ontario
		R. J. M. Jussaume, LL.B. President and Chief Executive Officer, Trust Général du Canada	Montreal, Quebec
		D. W. Pretty Executive Vice-President, North American Life Assurance Company	Toronto, Ontario
		Sydney M. Hermant President, Imperial Optical Company Ltd.	Toronto, Ontario
		J. N. Hyland	Vancouver, British Columbia
North American Life Assurance Company 105 Adelaide Street West, Toronto 1, Canada			

Directors' Report for the year ended December 31, 1971

To the Policyholders of North American Life Assurance Company:

Your Directors have pleasure in submitting the 91st Annual Report of the Company for the year ended December 31, 1971, including the financial statements and report of the Auditors thereon.

New life insurance directly effected by the Company's Agency force during the year amounted to \$899 million as compared with \$749 million in 1970. Total insurance in force increased by \$690 million during the year and now exceeds \$6 billion. New annuities, converted on the basis of \$1,500 for each \$10.00 of monthly income, amounted to \$59 million in 1971 and at the year end the annuities in force were \$955 million. Details of the new business and business in force are as follows:

	New Business in 1971	Business in Force December 31, 1971
Assurances		
— Individual	\$468,097,000	\$3,420,251,000
— Group	430,602,000	2,621,010,000
Total Assurances	\$898,699,000	\$6,041,261,000
Annuities		
— Individual	\$ 18,666,000	\$ 118,976,000
— Group	40,194,000	835,642,000
Total Annuities	\$ 58,860,000	\$ 954,618,000

At the year end there were more than 267,000 direct Individual policies in force, while Group coverage was provided under some 2,890 master contracts and 280,000 Group certificates including the Company's pro rata share of co-insured contracts.

Total assets increased by \$46,393,000 including an increase of \$12.9 million in the various separate investment funds of the Company. All categories of

assets shared in this increase with greater emphasis being placed on the acquisition of real estate. The net earned interest rate increased from 6.23% to 6.45%.

The decline in premium income arises from the inclusion in 1970 of a non-recurring item of \$18 million reflecting the special transfer of dividends left on deposit to paid-up amounts of additional insurance. After adjusting for this transaction, the assurance premiums showed a significant increase.

Net revenue from operations was \$13,893,000 as compared with \$12,342,000 in 1970. Dividends allotted to policyholders increased to \$10,283,000 from \$9,852,000 in 1970. After appropriations of \$500,000 to Policy Reserves and \$1 million to Investment and Contingency Reserve, Surplus amounted to \$36,330,000 as compared with \$33,654,000 at the end of 1970.

Your Directors take pleasure in recording the appointment since the last Annual Meeting of Mr. J. Norman Hyland of Vancouver as a Director of the Company.

The Honourable R. L. Kellock, who has served as a Director of the Company since 1958, will be ineligible for re-election under the age limitation of the Canadian and British Insurance Companies Act. Your Directors wish to acknowledge the contribution he has made to the Company's progress during this period.

Throughout the year the Company's field force and office staff have again worked loyally and efficiently in your interests and your Directors wish to express their appreciation of these services.

On behalf of the Board:
J. H. Taylor, Chairman of the Board,

G. Ryrie, President.

Toronto, February 1, 1972.

Consolidated Balance Sheet December 31, 1971

assets		1970 for comparison
Bonds.....	\$261,667,137	\$254,983,649
Government and government guaranteed.....	\$ 76,598,748	
Municipal.....	38,288,965	
Public utility.....	43,938,169	
Industrial and other.....	<u>102,841,255</u>	
Stocks.....	48,754,174	44,785,599
Mortgages and Agreements for Sale of Real Estate.....	280,900,886	272,016,262
Mortgages.....	279,432,884	
Agreements for sale.....	<u>1,468,002</u>	
Real Estate.....	47,934,268	40,667,018
Head Office.....	6,573,755	
Properties held for investment.....	<u>41,360,513</u>	
Loans on Policies.....	48,044,961	44,323,324
Cash on Hand and in Bank.....	4,492,897	2,943,213
Investment Funds' Assets—at market value.....	41,882,661	28,981,150
Interest Due and Accrued.....	8,001,294	7,216,230
Net Outstanding Premiums and Other Assets.....	<u>6,540,671</u>	<u>5,909,821</u>
Total Assets.....	<u>\$748,218,949</u>	<u>\$701,826,266</u>

Auditors' Report to the Directors and to the Policyholders

We have examined the consolidated balance sheet of North American Life Assurance Company and its subsidiaries as at December 31, 1971, and the consolidated statement of operations and surplus for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

The total value at which the securities are shown in the balance sheet, after deducting the Investment and Contingency Reserve, is not greater than that authorized under the Canadian and British Insurance Companies Act.

We have accepted the certification by the Chief Actuary of the Company for the policy reserves and other actuarial liabilities, subject to which we report that, in our opinion, the above consolidated balance sheet and the related statements of operations and surplus present fairly the financial position of the Companies as at December 31, 1971 and the results of their operations for the year ended on that date.

Campbell, Sharp, Nash & Field
Chartered Accountants.
Toronto, Canada, January 28, 1972.



liabilities

1970
for comparison

Policy Reserves.....	\$608,023,580	\$578,787,779
Reserves for assurances.....	\$352,410,580	
Reserves for annuities.....	<u>255,613,000</u>	
Deposit Liabilities.....	17,859,195	18,167,689
Policyholders' funds held on deposit.....	16,526,682	
Staff supplemental benefits fund.....	<u>1,332,513</u>	
Investment Funds' Liabilities to Policyholders.....	41,443,061	28,981,150
Other Policy Liabilities.....	10,580,692	9,055,597
Policy benefits in course of payment.....	9,655,262	
Premiums paid in advance.....	<u>925,430</u>	
Bank Loans and Overdrafts.....	1,626,181	1,068,651
Accrued Expenses and Other Liabilities.....	5,306,541	6,561,745
Provision for Policy Dividends.....	11,050,000	10,550,000
Investment and Contingency Reserve.....	16,000,000	15,000,000
Surplus.....	<u>36,329,699</u>	<u>33,653,655</u>
Total Liabilities.....	<u>\$748,218,949</u>	<u>\$701,826,266</u>

Note:

The financial statement is a consolidation of the Life and Health branches and the Investment Funds. The accounts of the wholly-owned subsidiary companies, Edgcombe Investment Services Limited and Conserco Inc., where operating income and expenditures are considered material, have also been consolidated with those of the parent company. Other subsidiaries have not been consolidated and are shown at their prescribed value.

Throughout these statements, United States, Bahamas and Bermuda dollars are converted at \$1.00 and other Sterling area currencies at \$2.64 to the pound. Approximately \$350,000 of the Investment and Contingency Reserve at the end of 1971 would be required to convert assets and liabilities to current rates of exchange.

Actuary's Report

I have certified that the policy reserves are in excess of those required by the provisions of the Canadian and British Insurance Companies Act and that, in my opinion, the policy reserves, together with the provision for other liabilities to policyholders shown in the balance sheet as at December 31, 1971, make good and sufficient provision for all obligations of the Company guaranteed under the terms of its policies.

A. R. McCracken, F.S.A., F.C.I.A.
Vice-President and Chief Actuary
Toronto, Canada, January 28, 1972

Consolidated Statement of Operations and Surplus for the year ended December 31, 1971

		1970 for comparison
Revenue		
Premiums for assurances	\$ 66,030,943	\$ 77,415,069
Considerations for annuities	<u>29,222,256</u>	<u>25,305,663</u>
	\$ 95,253,199	102,720,732
Investment income, less investment expenses	44,355,310	40,741,652
Other income	<u>52,329</u>	<u>—</u>
Total revenue	<u>139,660,838</u>	<u>143,462,384</u>
Expenditure		
Death claims	19,977,592	16,848,305
Other assurance contract benefits	18,587,691	15,171,687
Annuity contract benefits	21,184,244	19,968,974
Increase in policy reserves	28,735,801	43,766,719
Addition to Investment Funds	10,336,065	7,180,657
Interest on deposit funds and on other liabilities	<u>1,421,876</u>	<u>1,937,267</u>
Salaries and commissions	17,538,234	16,575,200
General expenses	6,549,017	6,156,575
Income and other taxes	<u>3,395,555</u>	<u>5,399,929</u>
	27,482,806	28,131,704
Less: Investment expenses deducted above	<u>1,958,106</u>	<u>1,884,608</u>
	25,524,700	26,247,096
Total expenditure	<u>125,767,969</u>	<u>131,120,705</u>
Net revenue from operations	13,892,869	12,341,679
Surplus, December 31, 1970	33,653,655	
Net investment adjustments	<u>566,089</u>	
Total surplus before appropriations	<u>48,112,613</u>	
Appropriations		
Dividends to policyholders	9,782,914	
Added provision for policy dividends	<u>500,000</u>	
	10,282,914	
Additional provision for policy reserves	500,000	
Transfer to investment and contingency reserve	<u>1,000,000</u>	
Total appropriations	<u>11,782,914</u>	
Surplus, December 31, 1971	<u>\$ 36,329,699</u>	

Executive Officers

George Ryrie, F.S.A., F.C.I.A.

President

Finance

D. W. Pretty, M.B.A.

G. M. Heaman, C.A., F.L.M.I.

H. W. Hougham, C.G.A., F.L.M.I.

T. E. Malone, C.A.

T. H. Inglis, B.COM.

J. B. Patterson

S. D. Arnott, B.COM., F.L.M.I.

J. B. Clinton, B.COM., C.F.A.

J. C. Curtis, B.A., C.F.A.

L. S. Frank, B.COM.

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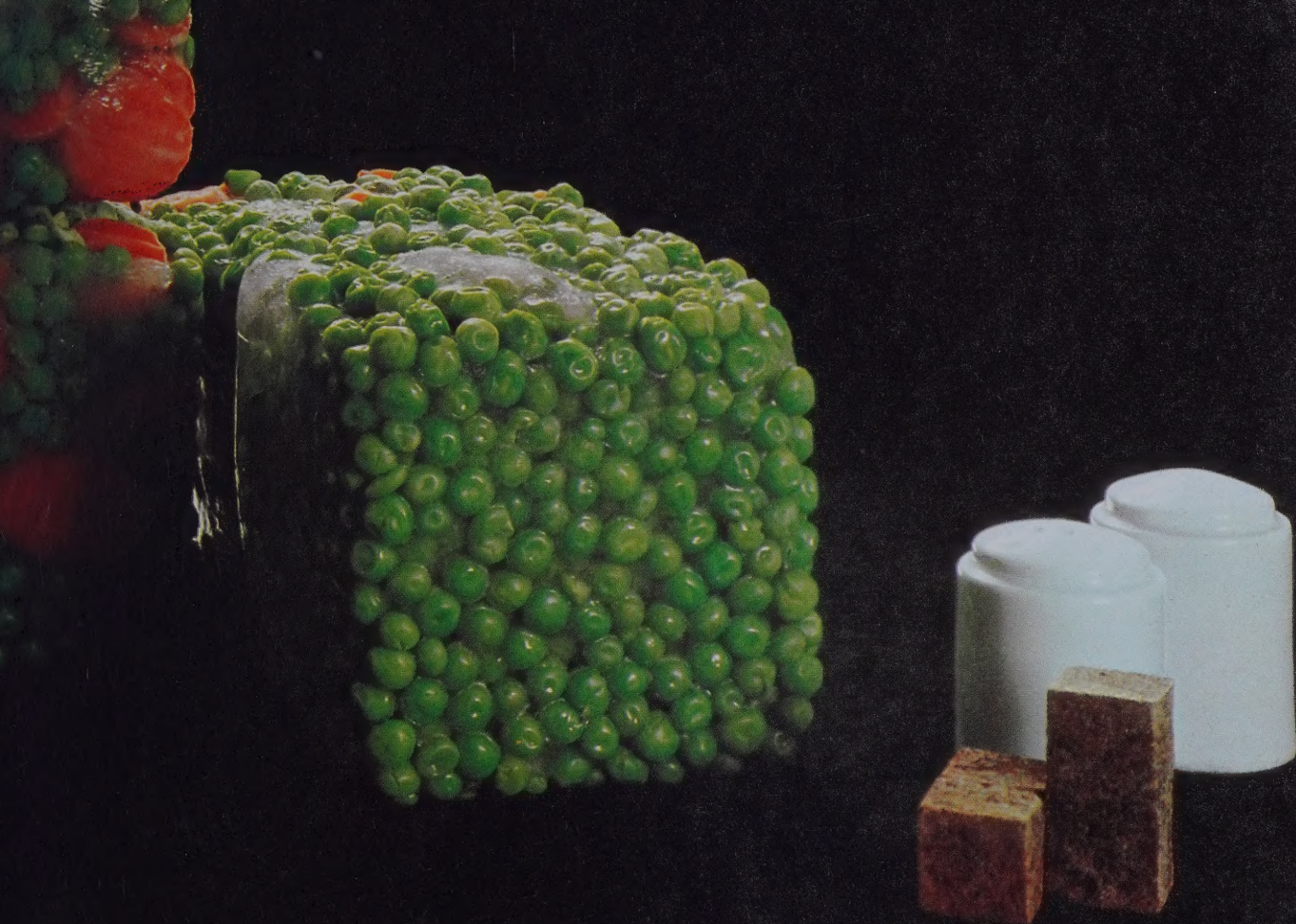
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